

CITY OF SAVANNAH, GEORGIA
REQUEST FOR PROPOSALS
FOR
DEMAND DEPOSIT AND MERCHANT SERVICES

RFP # 07.307

Issued: November 30, 2007

Sealed Proposals should be submitted to:

Assistant Purchasing Director
Third Floor, City Hall

or by mail to:

Assistant Purchasing Director
P. O. Box 1027
Savannah, GA 31402

Deadline for Proposal Submission: 1:30 P.M. on Tuesday, January 22, 2008

Pre-Proposal Conference: 2:00 P.M. on Tuesday, December 18, 2007
Fourth Floor Conference Room, City Hall

**REQUEST FOR PROPOSALS
CITY OF SAVANNAH, GEORGIA
DEMAND DEPOSIT AND MERCHANT SERVICES**

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REQUEST FOR PROPOSALS (RFP)
CITY OF SAVANNAH, GEORGIA
DEMAND DEPOSIT AND MERCHANT SERVICES

I. INTRODUCTION

A. GENERAL INFORMATION:

The City of Savannah, by way of this document, requests competitive proposals for banking services. The scope of services covered by this RFP is limited to demand deposits and related services (including credit card merchant services). The placement of City investments is NOT included in this RFP (except as described in Section II.T.).

The objectives of the City for this RFP for Banking Services are:

- Obtain banking services at a price fair to both the City and the vendor
- Select a vendor in a fair, open, and objective manner
- Achieve a demand deposit system that permits 100% of the City's available cash to be "working," either by being invested or by providing the required compensating balances.

B. INSTRUCTIONS

Proponents shall use the attached Fee Proposal Form or the electronic version to be provided by the City for submitting proposals. (Contact David Maxwell at David_Maxwell@savannahga.gov to request the Fee Proposal Form in an Excel spreadsheet format.) Only proposals submitted using the Fee Proposal Form or the City's electronic version of the Form will be accepted. Other information required to be included in proposals is listed in Section IV of this RFP.

Making a fee proposal indicates that the proposer can meet or exceed the requirements as stated.

If a service requirement cannot be met by the proposer, the proposer may offer an alternative similar service; however, the City reserves the right to reject a proposer's entire proposal due to the inability to provide a service requirement or an acceptable substitute.

All proposals must be submitted in sealed envelopes bearing on the outside the name and address of the proposer, and the words "Savannah Banking Service Proposal." It is the sole responsibility of the proposer to ensure that the proposal arrives on time at the designated place. The proposal must be signed in the name of the proposer and must bear the handwritten signature of the person or persons duly authorized to sign the proposal. The name, office address, and office telephone number of the point of contact must be clearly identified.

Each proposer shall submit only one proposal. Completed proposal forms are to be returned no later than 1:30 P.M. on Tuesday, January 22, 2008.

Proposals should be submitted (if by mail) to:

Assistant Purchasing Director
P. O. Box 1027
Savannah, GA 31402

Hand delivered proposals should be delivered to:

Assistant Purchasing Director
Third Floor, City Hall
Bull Street and Bay Street

Questions relating to these specifications should be addressed to David Maxwell, Assistant Director of Finance, at (912) 651-6434, or if by mail at P.O. Box 1027, Savannah, GA 31402.

C. RFP SCHEDULE

<u>ACTIVITY</u>	<u>DATE</u>
Distribute RFP to Vendors	November 30, 2007
Pre-proposal Conference	December 18, 2007
Vendor Proposals Due	January 22, 2008
Contract Negotiations Complete	February 15, 2008
City Council Approval of Contract	March 2008
New Contract Implementation	April 1, 2008 – June 30, 2008

A Pre-Proposal Conference will be held at 2:00 P.M. on Tuesday, December 18, 2007 in the Conference Room, Fourth Floor, City Hall. Attendance at the Pre-Proposal Conference is encouraged but is not mandatory. Questions regarding the RFP and the services desired will be answered during this time.

D. SELECTION CRITERIA

The criteria and weights for proposal evaluation are:

- | | |
|---|-----|
| • Completeness of proposal to include all required services | 30% |
| • Cost of services | 40% |
| • Experience and ability to meet service requirements | 30% |

The proposals will be ordered into a list of qualifying competitors based upon a scoring of the above criteria.

The City will evaluate the proposals and quotations from the information at hand and may also ask questions of a clarifying nature from proponents as necessary.

When the City has tentatively selected a proposal, it may request a conference to formulate plans in greater detail, to clarify any unclear areas, and to otherwise complete negotiations prior to the formal award. At any time during the selection process, the City may choose to modify its choice of a selected proposal if the City, in its discretion, determines that such a change is in the best interest of the City.

In its evaluation of the bank's ability to meet service requirements, the City will review the bank's organization, experience and capability, as well as personnel the bank will assign to serving the City's accounts.

The City will select the proposal deemed most beneficial to the City based on its evaluation of the proposals. The apparent successful proposer and all other persons who submitted proposals will be notified of the City's selection.

Based upon the City's proposal review and conferences, a contract will be prepared and a recommendation made to the Mayor and Aldermen for award.

E. TERMS AND CONDITIONS

- (1) The City reserves the right to reject any or all proposals, to waive any informality in any proposal or in the proposal process, and to accept or reject any item or combination of items. The award of the contract will be to that proposer whose proposal complies with all the requirements set forth in this RFP and whose proposal in the opinion of the City is the best proposal taking into consideration all aspects of the proposer's responses.
- (2) As part of the RFP document, the City has supplied historical data regarding the actual number of demand deposit transactions incurred by the City; however, the City does not guarantee these as minimum or maximum volumes.

- (3) Proponents shall thoroughly examine and be familiar with these specifications. The failure or omission of any proposer to receive or examine this document shall in no way relieve any proposer of obligations with respect to this proposal or the subsequent contract.

Any expenses for preparing a response to this RFP shall be paid by the proponents. The City will assume no responsibility to reimburse any proponent for any expenses related to preparing a response to this RFP.

- (4) Any modification from the service requirements as presented in the RFP can result in the rejection of the proposal as not being responsive to this RFP. However, if the primary proposal response is acceptable to the City the proposal will be considered and evaluated.
- (5) If there is any doubt as to whether a potential proposer is qualified to submit a proposal, this proposer should submit an inquiry to the Director of Finance prior to engaging in the expense of preparing a proposal.
- (6) Qualified proposing banks must also meet the following criteria:
 - (a) Depository bank must provide deposit insurance by FDIC and provide security for City deposits in excess of the amount insured by FDIC in accordance with O.C.G.A. 45-8-12.
 - (b) Depository bank must maintain a full service branch in the City of Savannah.
 - (c) Depository bank must have achieved a score of "Outstanding" on its most recent Community Reinvestment Act (CRA) performance rating if the bank is required to have rating under the CRA.
- (7) In the event that the successful proposer fails to provide the services required under the contract, the City shall be entitled to cancel the contract after ninety (90) days written notice to the bank. In the event that the City fails to maintain compensating balances as required by the contract, the bank shall be entitled to cancel the contract after 90 days written notice to the City.

II. REQUIRED BANKING SERVICES

A. GENERAL

It is the intent of the City to have a single bank provide all of the banking services specified in this proposal in order to permit the convenient consolidation of all investable cash assets. The actual

investment of cash, however, is outside the scope of this RFP (except to the extent of the Automatic Investment of Available Balances required under section II.T.).

B. ACCOUNT STRUCTURE

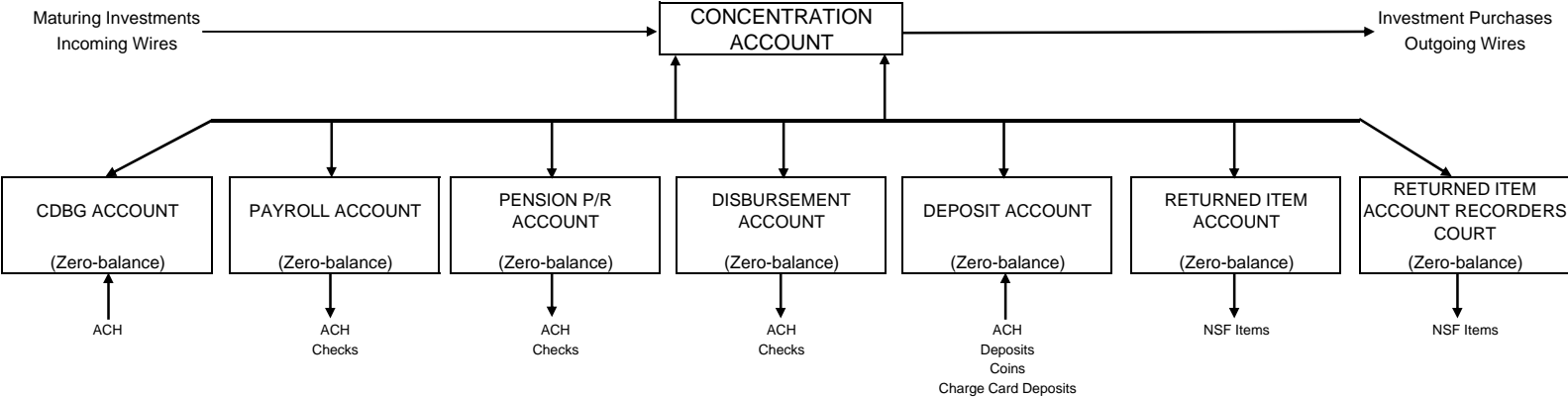
The City requires a Concentration Account linked to seven (7) zero-balance accounts (CDBG, Payroll, Pension, Disbursement, Deposit, Returned Item and Returned Item-Recorders Court). The Concentration Account and the seven zero balance accounts are termed the Main Accounts.

The City also requires eight (8) independent accounts (Auto Liability, ACH Debit, Leisure Services, Work Comp, Civic Center Production, Recorders Court Clearing, Group Medical, and Flexible Spending) termed the Miscellaneous Accounts. The Miscellaneous Accounts will operate as normal checking accounts. The City may add additional miscellaneous independent checking accounts in the future.

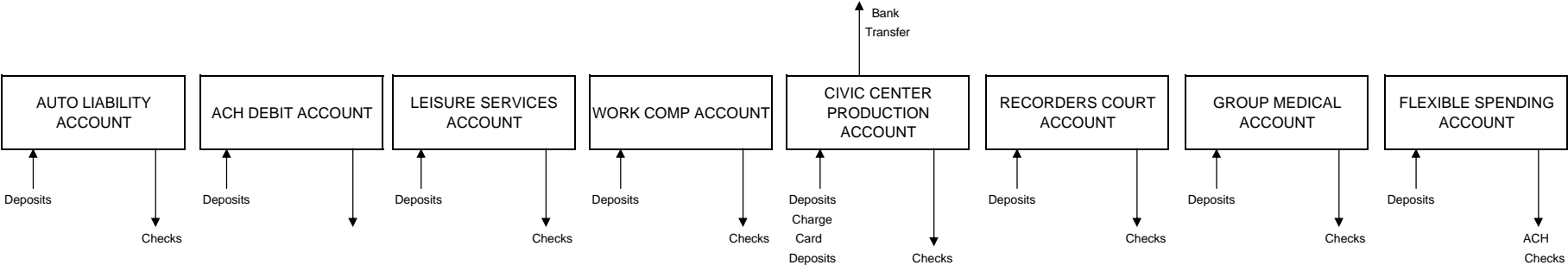
These accounts are shown schematically on the following page.

ACCOUNT STRUCTURE

MAIN ACCOUNTS



MISCELLANEOUS ACCOUNTS



C. ACCOUNT OPERATION

(1) Concentration Account

The Concentration Account will:

- receive incoming wires
- make outgoing wires
- fund, by automatic daily transfer, all debit items presented to the zero balance accounts
- receive, by automatic daily transfer, all credit items presented to the zero balance accounts

(2) Zero-Balance Accounts - Payroll, Pension, Deposit, Disbursement, Returned Items, CDBG and Returned Items-Recorders Court

At the end of each day, the Bank will automatically transfer from the Concentration Account an amount sufficient to pay checks, ACH debits, and charge backs presented that day for payment to the zero-balance accounts.

At the end of each day, the Bank will automatically transfer all deposits and ACH credits made to the zero-balance accounts to the Concentration Account.

These automatic bank transfers will leave the zero-balance accounts with a zero balance, and automatically concentrate all cash balances in the Concentration Account at the end of each day.

(3) Miscellaneous Accounts (Auto Liability, ACH Debit, Leisure Services, Work Comp, Civic Center Production, Recorders Court Clearing, Group Medical and Flexible Spending)

The eight miscellaneous accounts will operate as normal checking accounts.

The Civic Center Production account has the following additional special requirements:

- (a) The bank will be called upon to provide cash (on short notice) from this account needed to settle major Civic Center shows.
- (b) Frequent use of the night depository will be made for this account.

(4) Other Accounts and Services

This RFP is intended to cover the City's current demand deposit needs; however, the City is free to establish other depository relationships as necessary, which are not covered by this RFP. Any fees that are incurred due to new accounts or new services provided by the bank to the City that are not covered by this RFP will be priced by the bank and compensated through the compensating balance accounts. Likewise, any discontinuation of services priced under this RFP by the city will result in a reduction of the compensating balance amount based on the reduction in fees.

(5) Daylight Overdrafts

Daylight Overdrafts occur when a bank wires funds on behalf of a customer and there are insufficient funds in the customer's account because an anticipated incoming wire has not yet been received. The successful bank will be expected to permit Daylight Overdrafts for the City of the type described in the preceding sentence. The bank may cancel this accommodation if the City develops a history of not funding such outgoing wires by the anticipated incoming wire.

D. RECONCILIATION SERVICES

The bank will provide partial reconciliation services for seven of the accounts specified in the RFP. The seven accounts are: the Disbursement Account, the Payroll Account, the Pension Account, the Group Medical Account, the Work Comp Account, the Flexible Spending Account and the Civic Center Production Account. Partial reconciliation services required include the following:

- (1) The bank shall provide a computer file via modem or internet containing the detail of checks paid by the bank each month for the seven specified accounts. Such file shall be provided by the fourth business day of the following month. This file will include the check number, amount, and date paid. The bank shall furnish any necessary software to allow the City to read the files.
- (2) In lieu of canceled checks, the City requires images on CD ROM. The CD ROM images must clearly display the front and back of the canceled check. Duplicate CD ROM disks are required, for a total two CDs per month. The bank shall provide software (Windows 2000/XP compatible) for searching, viewing, and printing the CD ROM check images.
- (3) Return of all other items, such as debit and credit memos in date order.
- (4) In lieu of receiving processed deposit slips, the City requires images of all deposit slips be provided on CD ROM.

E. STATEMENT AND ADVICE FREQUENCY

Statements on all demand deposit accounts will be provided monthly through the last day of the month. The monthly statements will be provided no later than the fourth business day of the following month. The monthly statements shall be provided in an electronic format via the bank's on-line banking system.

Statements on all merchant services accounts will be provided monthly through the last day of the month. The monthly statements will be provided no later than the fifteen business day of the following month. The monthly statements may be provided in a paper format and should be mailed directly to the Assistant Finance Director.

F. MONTHLY ACCOUNT ANALYSIS

The bank shall supply a monthly account analysis report for each account showing:

- Average Positive Ledger Balance
- Average Ledger Balance
- Average Float
- Average Collected Balance
- Required Reserves
- Average Available Balance
- Earnings Allowance Rate
- Earnings on Average Available Balance
- Transaction volumes, prices, and total activity

G. AVAILABILITY OF FUNDS

Deposits will be delivered to a location(s) mutually agreed upon by the City and the bank each morning (or other time mutually agreed upon).

The bank shall provide availability of funds according to the following schedule:

	<u>Days</u>	<u>Example</u>
(1) Wire transfers, U.S. Treasury Check; 0 checks on awarded bank; coin and currency	0	Deposit made on Monday is available for wire transfer out on Monday
(2) All checks written on banks in Federal Reserve District 06	0	Deposit made on Monday is available for wire transfer out on Monday

- | | | | |
|-----|---|---|---|
| (3) | All checks written on banks outside
Federal Reserve District 6 | 1 | Deposit made on Monday
available for wire transfer
out on Tuesday |
|-----|---|---|---|

H. ELECTRONIC CONNECTION

The bank shall furnish an electronic connection to an information reporting and transaction initiation system, i.e., an on-line banking system. This system will enable the City to make inquiries into the bank's computer system, and initiate transactions using a personal computer via modem or the internet. Any expenses necessary to install/setup the electronic connection on the City's hardware will be borne by the bank. The bank will also provide adequate training on the system for City personnel at no cost to the City. This system must include (but is not limited to):

(1) Reporting capabilities

- Previous-and current-day balance information
- Previous-and current-day transaction detail
- ACH Credit transaction data detail
- ACH Debit transaction data detail

(2) Transaction capabilities

- Wire transfer initiation with notification and confirmation
- On-line stop payment requests and confirmations
- ACH transaction initiation
- Electronic positive pay service

- Check inquiries (including images of the front and back of checks that have cleared.)

(3) Security capabilities

- System access codes with multiple levels
- Personal identification and password protection features
- Authorization documentation for sensitive functions

I. CONTROLLED PAYMENT

As part of its fraud prevention program, the bank must have the capability to provide Controlled Payment, or Positive Payment, features to the City for the Disbursement, Payroll, and Pension Accounts. As part of the Controlled Payment feature, the City will provide to the bank an electronic file containing the check number and amount for each check written from these accounts. As checks are presented for payment against these accounts, the bank will "match" the data provided by the City to the information contained on the face of the check. The "matching" process will occur on the same day that the check is presented for payment. When the bank is

not able to “match” the check to data provided by the City, the bank will notify the City and provide a window during which the city can make a pay/no-pay decision.

In addition to positive payment, the bank must have the capability to provide ACH control features, which will allow only authorized companies to debit the City’s accounts via ACH transactions.

J. COLLATERAL AND INSURANCE

The bank must provide deposit insurance through the FDIC. The bank must also maintain collateral securing all City balances on deposit in compliance O.C.G.A. 45-8-12.

K. SAFEKEEPING AGENT

The bank must use a third party as safekeeping agent for securities pledged as collateral for City funds. The bank should be able to provide a report of securities held or pledged at the City’s request.

L. PAYROLL CHECK CASHING

The bank will cash City payroll checks presented by the payee at any of its Chatham County locations without charge to the payee.

M. OTHER BANKING SERVICES - NO CHARGE

Banking documents and services not detailed on the proposal forms that are customarily provided at no cost to business demand deposit customers will be provided to the City at no cost. This paragraph is intended to cover documents and services such as deposit slips, deposit bags, stop payment forms, coin wrappers, night depository bags, endorsement stamps, and investment advisory services.

N. CHARGE CARD SERVICES

Certain accounts of the City will receive MasterCard and VISA deposits. Such deposits will be accepted without discounts. Any fees (including interchange fees, assessment fees and processing fees) associated with merchant services will be paid by the demand deposit services provider directly to the merchant services provider. The City will compensate the demand deposit services provider for these charges via a compensating balance arrangement. Additional information is provided on bank compensation in Section III of this document.

The City currently utilizes 5 merchant accounts. The merchant accounts and corresponding interchange connections are as follows:

1. Revenue Department – (1) Verifone Omni 3700 Series Model 5100
2. Parking Services – (1) Trans 460 (manufactured by Verifone, Inc., purchased from Nova Information Systems)
3. Cemeteries – (1) Verifone Omni 3700 Series Model 5100
4. Parking Meters – Settlement data is sent via IC Verify software using an electronic connection.
5. Civic Center – (2) Verifone Omni 3700 Series Model 5100. The Civic Center also employs a third party company, Etix Inc., to operate its box office system. Etix Inc. will accept credit card payments on behalf of the City and then transmit a settlement file to the City's merchant services provider. All Civic Center charge card volumes, including those processed by Etix Inc., have been incorporated into this RFP.

If the City's current charge card terminal equipment is not compatible with the bank's system, then the bank must provide compatible equipment with similar capability as the City's existing equipment. If the bank must provide new, compatible equipment it will do so at no charge to the City. In the future, if it becomes necessary for the City to acquire additional credit card terminals or to replace existing credit card terminals, the City will pay for this equipment through direct remittance to the vendor.

O. BANK MONEY ORDERS OR CASHIERS' CHECKS

Occasionally, City operations require the purchase of bank money orders or cashiers' checks. These services shall be provided by the bank with no additional compensation.

P. DIRECT DEPOSIT AND ACH ACTIVITY

The bank must have the capability to provide ACH payroll direct deposit services through an electronic transfer (via modem or internet) from the City to the bank of the necessary information. The City processes payroll for employees on a weekly basis. The City processes a pension payroll on a biweekly basis and on a monthly basis.

The bank must have the capability to accept ACH drafts (via modem or internet) on accounts of customers of the City who have authorized the payment of City invoices via automatic draft. The City originates these drafts on a weekly basis.

The bank must also have the capability to accept ACH deposits and report on all data fields for such deposits to the City via the Electronic Connection and include such data on monthly statements.

Q. PAYROLL TAX TRANSFERS

The bank must have the ability to make transfers via wire or Automated Clearing House (ACH) to the Internal Revenue Service and the State of Georgia Withholding Tax Office (and any other agency that becomes necessary).

R. INSUFFICIENT FUNDS CHECKS

The bank should provide an automatic second deposit of returned checks.

S. COIN WRAPPING/COUNTING SERVICES

The bank shall provide a coin counting/wrapping service whereby the bank will pick up (or cause to be picked up) the parking meter coinage from the Parking Enforcement Office at 100 East Bryan Street at least once per day. The City will pre-sort, count, and bag (but not wrap) the coinage before it is retrieved by the bank. The bank will re-count, wrap, and make a deposit to the City's Deposit Account. The City will be notified of the amount of the deposit on a daily basis via fax from the bank. Included as part of this service, the bank shall also provide coin deposit bags to be used by the City. The City currently uses 5 mil 9" X 14" clear tamper evident coin bags; however, the City is not opposed to using cloth bags if desired to do so by the bank. It is estimated that the City will process about 600 bags of coinage each month.

T. AUTOMATIC INVESTMENT OF AVAILABLE BALANCES

The City shall automatically earn interest on any available balance in the Concentration Account on the bank's books at 5:00 P.M.

The interest rate earned by the City on the invested funds will be the Effective Federal Funds rate as reported by the New York Federal Reserve Bank, computed on a 360-day basis.

It is the intent of the City to actively manage its investments. The Automatic Investment of Available Balances is requested as a back-up to the City investment program.

U. BLANK CHECKS FOR MISCELLANEOUS ACCOUNTS

The bank shall provide blank checks for the Miscellaneous Accounts at no charge to the City. The estimated volume for these accounts is presented below:

<u>Account</u>	<u>Annual Volume</u>
Auto Liability	None
ACH Debit	None
Leisure Services (1 part)	100
Work Comp	None

Civic Center Production (3 part)	1,300
Recorders Court (1 part)	650
Group Medical	None
Flexible Spending	None

III. BANK COMPENSATION

A. FORM OF BANK COMPENSATION

Two goals for the method of bank compensation are that it be: i) fair to both the City and the bank, and ii) easy to administer.

The bank will be compensated with “compensating balances”. The bank will receive two separate compensating balances, one for “demand deposit services”, and the other for “merchant services”. Both compensating balances will be provided in the form of a zero- interest bearing certificate of deposit.

The compensating balance amounts will be calculated without regard to a reserve requirement. This means that the City will get the benefit of every dollar deposited into each compensating balance certificate of deposit.

The City shall not be obligated to maintain any compensating balances after the end of the contract.

B. METHOD OF COMPUTING COMPENSATING BALANCES

Demand Deposit Services. The amount of the compensating balance for demand deposit services shall be computed as follows:

$$DDCB = DDMF / EAR$$

Where:

DDCB = Demand Deposit Compensating Balance for the month

DDMF = Demand Deposit Monthly Fee which shall be fixed for each twelve month period of the contract. DDMF for the first 12 months of the contract shall equal the “monthly demand deposit charges” as set forth in step 1 of page 1 of the bank’s Fee Proposal Form (which fee is based on the average monthly transaction volumes for the 17 months ended September 2007).

DDMF will be recalculated annually by the bank (which calculation shall be subject to approval by the City) as of each anniversary of the commencement of demand deposit services. In making this annual calculation the bank shall use the same unit prices and the same discount as provided in its response to this RFP. The only new factor will be the new actual average monthly volumes for the then recently completed 12 month period.

EAR = Earning Allowance Rate which shall change each month, and shall be equal to average investment yield of the 13 week Treasury bill auctions held in the month preceding the month of the deposit divided by 12.

On the first business day of the calendar month following the commencement of the demand deposit service specified by this RFP by the bank, the City shall deposit with the bank a sum equal to DDCB as calculated above for investment in a zero-interest certificate of deposit as full compensation for demand deposit services.

For example, i) if demand deposit services commence on June 10, 2008, and ii) if the bank's "monthly demand deposit charges" as set forth in step 1 of page 1 of its Fee Proposal Form was \$10,000, and iii) if the average investment yield of the 13 week Treasury bill auctions held in June 2008 was 5.00%, then the DDCB would be calculated to be \$2,400,000 (i.e. \$10,000 / (.05 / 12)). This amount would be deposited with the bank for investment on an zero interest certificate of deposit as compensation for demand deposit services on July 1, 2008.

The DDCB would be recalculated each month to reflect changes in the EAR, but the DDMF would remain fixed until the anniversary of the commencement of demand deposit services. At each anniversary of the commencement of services the bank may recalculate a new DDMF based on the actual monthly average of transaction volumes for the then recently completed 12 month period, however, in making this calculation the same unit prices and percentage discount as provided in the bank's response to this RFP shall be used for the duration of the contract. The bank shall provide the details of the calculation in an auditable form to the City for review, and such recalculation shall not go into effect until approved by the City.

Merchant Services. The amount of the compensating balance for merchant services shall be computed as follows:

$$MSCB = MSMF / EAR$$

Where:

MSCB = Merchant Service Compensating Balance for the month

MSMF = Merchant Service Monthly Fee shall change each month and shall be based on actual transaction volume for the most recent completed month.

MSMF shall be recalculated monthly by the bank (which calculation shall be subject to approval by the City) after the close of each month. In making this monthly calculation the bank shall use the same unit prices and the same discount as provided in its response to this RFP. The only new factor will be the new actual monthly volumes for the then recently completed month.

MSMF for the first month of compensation for merchant services under this contract shall be set equal to “monthly merchant services charges” as set forth in step 2 of page 1 of the bank’s Fee Proposal Form (which fee is based on the average monthly transaction volumes for the 24 months ended September 2007).

EAR = Earning Allowance Rate which shall change each month, and shall be equal to average investment yield of the 13 week Treasury bill auctions held in the month preceding the month of the deposit divided by 12.

On the first business day of the calendar month following the commencement of the merchant services specified by this RFP by the bank, the City shall deposit with the bank a sum equal to MSCB as calculated above for investment in a zero-interest certificate of deposit as full compensation for merchant services.

For example, i) if merchant services commence on June 10, 2008, and ii) if the bank’s “monthly merchant services charges” as set forth in step 2 of page 1 of the bank’s Fee Proposal Form was \$8,000, and iii) if the average investment yield of the 13 week Treasury bill auctions held in June 2008 was 5.00%, then the MSCB would be calculated to be \$1,920,000 (i.e. $\$8,000 / (.05 / 12)$). This amount would be deposited with the bank for investment on an zero interest certificate of deposit as compensation for merchant services on July 1, 2008.

The MSCB would be recalculated each month, after the initial month, to reflect changes in the EAR and actual transaction volumes for the most recent completed month, however, in making this calculation the same unit prices and percentage discount as provided in the bank’s response to this RFP shall be used for the duration of the contract. The bank shall provide the details of the monthly calculation in an auditable form to the City for review, and such recalculation shall not go into effect until approved by the City.

IV. CONTENTS OF PROPOSALS

In response to this RFP, provide the following information for use in the evaluation of proposals:

1. A discussion of experience that the bank has in providing banking services of a similar nature as described in this RFP to local governments, including a list of such clients. Include names and phone numbers of some local governmental references.
2. A description of the bank's organization. Include the addresses of bank offices and branches located in Chatham County.
3. Submit the most recent Uniform Bank Performance Report (UBPR) available and annual reports for the past two years.
4. Submit the most recent Community Reinvestment Act evaluation, which must demonstrate that the institution received a score of "Outstanding". Or alternatively state that the bank is exempt from CRA rating and why.
5. Provide information on the bank personnel who will be responsible for the implementation of the City's accounts, including names, titles, service he/she will provide, experience in providing service to customers with needs similar to the City's, and experience with local governments.
6. State that all services required under this RFP will be provided by the bank as described, or state that certain services are not available as described. Identify any services that cannot be provided as described in the RFP, and describe available alternate substitute services that can be provided in lieu of the specified service.
7. Describe any additional services the bank can provide that are not required by this RFP that may be of interest to the City. Include information on fees for such services. (Optional)
8. Complete and submit the Fee Proposal Form. The Fee Proposal Form and instructions are included in this RFP. (Contact David Maxwell to request an Excel version of the Fee Proposal Form at David_Maxwell@savannahga.gov.)
9. Include a signature page signed by an authorized official of the bank, and provide the name and phone number of the bank official to whom questions concerning the proposal should be addressed.

City of Savannah
Demand Deposit Banking Services Fee Proposal Form
Instructions

The Fee Proposal Form is attached. The form is designed to present in a comparable format the charges for services in the volumes estimated to be required by the City and the required compensating balances necessary to pay for those services.

For ease of computation, the City will provide an Excel spreadsheet version of the form. To obtain the electronic version of the form please send an email request to David Maxwell (David_Maxwell@savannahga.gov).

INSTRUCTIONS FOR COMPLETION OF FEE PROPOSAL FORM:

- (1) Review the request for RFP document and the Fee Proposal Form.
- (2) Compute the estimated monthly charge for demand deposit services by multiplying the per unit charge for each applicable service by the volumes and enter on page 2 of the Fee Proposal Form. Add the individual service fee estimates to compute Total Demand Deposit Charges and enter on the appropriate line on page 1 of the Fee Proposal Form.
- (3) Compute the estimated monthly charge for merchant services by multiplying each of the applicable charges by the appropriate volumes and dividing by 24 months. Enter these amounts on page 3 of the Fee Proposal Form. Add the individual monthly service fee estimates to compute Total Merchant Services Charges and enter on the appropriate line of page 1 of the Fee Proposal Form. (Note: the electronic version of page 3 of the Fee Proposal Form will automatically divide the merchant services charges by 24 to compute the average monthly cost.)
- (4) Total monthly charges are calculated by adding together the monthly demand deposit services charges and the monthly merchant services charges.
- (5) Once all three pages of the Fee Proposal Form have been completed, print out all three pages and then have an authorized official sign page 1 of the form and complete the contact information.

Remember that making a fee proposal for an individual banking service requirement indicates that the proposer can meet or exceed the requirements as stated in this RFP. The proposer may offer an alternative service; however, the City reserves the right to reject a proposer's entire proposal due to such a deficiency.

Other required contents of proposals are listed in Section IV of the RFP on page 17.

CITY OF SAVANNAH GEORGIA
DEMAND DEPOSIT BANKING SERVICES
FEE PROPOSAL FORM – Page 1
Proposals Due: January 22, 2008 by 1:30 pm

Compute the total monthly charges according to the following formula (note the electronic version of the form computes this automatically):

Step 1 - Monthly Demand Deposit Service Charges:

- Complete the demand deposit services worksheet by entering the appropriate unit prices.
- Enumerate any additional demand deposit service charges not listed and price accordingly.
- Apply the appropriate discount (if any) to determine the total monthly charges for demand deposit services.

_____ monthly demand deposit charges

Step 2 - Monthly Merchant Services Charges:

- Complete the merchant services worksheet by entering the appropriate fees.
- Apply the appropriate discount (if any) to determine the total monthly charges for demand deposit services.

_____ monthly merchant services charges

Step 3 - Total Monthly Charges:

- Compute the sum of monthly charges for demand deposit and merchant services by adding together the amounts derived in steps 1 and 2 above.

_____ total monthly charges

The undersigned is an authorized official of the bank, and herewith submits our proposal in response to the City's RFP #07.307. Above is our calculation of the total monthly charges based on our proposed fees set forth on pages 2 and 3 of the Fee Proposal Form. Our proposal meets or exceeds all of the City's requirements as described in the RFP except as noted in our proposal.

Authorized Official Signature and Date

Name of Bank

Name and phone number of person to who questions about the proposal should be addressed.

DEMAND DEPOSIT SERVICES

Fee Proposal Form - Page 2

May 2006 thru September 2007			
	17 Month Volume	Average Monthly Volume	Price Per Unit
Average Monthly Cost for Service			
GENERAL SERVICES			
NEGATIVE COLLECTED FUNDS FEE (% per \$)	100,682	5,922.47	
CHECKS PAID (per item)	193,111	11,359.47	
DEPOSITS (per deposit)	4,823	283.71	
BR-DISPOSABLE NIGHT BAGS (per bag)	2	0.12	
BR-ROLLED COINS (per roll)	826	48.59	
BR-STRAPPED CURRENCY PROVIDED (per strap)	78	4.59	
CHCKS RETURNED WITH STATEMENT (per account)	68	4.00	
BR-CASH DEPOSIT FEE	173,045	10,179.12	
BR-DEPOSIT CORRECTIONS (per correction)	66	3.88	
MULTIPLE STATEMENTS (per account)	261	15.35	
BR-CHANGE ORDERS (per order)	19	1.12	
BR-NON-STANDARD CASH PROCESSING	7,430	437.06	
BR-COIN DEPOSIT PROCESSING	111,765	6,574.41	
ACCOUNT MAINTENANCE (per account)	272	16.00	
NON DEPOSITOR CHECK CASHING (per check)	10,658	626.94	
MASTER ACCOUNT MAINTENANCE (per account)	17	1.00	
SUB ACCOUNT MAINTENANCE (per account)	119	7.00	
DEPOSIT IMAGE VIEWED - WC PLUS (per image)	78	4.59	
DEPOSITED ITEMS (per item)	45,989	2,705.24	
RETURNS			
DEPOSITED ITEMS-CHARGED BACK (per item)	3,067	180.41	
RETURNS SPECIAL INSTRUCTION (per item)	222	13.06	
ACH			
MISCELLANEOUS ITEMS PAID (per item)	4,679	275.24	
ACH RETURN-PAPER REPORT (per report)	218	12.82	
FILE PROCESSED (per file)	886	52.12	
ADDENDA ORIGINATED (per item)	10,853	638.41	
DEPOSITS (per deposit)	3,129	184.06	
MAINTENANCE (per id)	51	3.00	
ACH RETURNS (per return)	137	8.06	
REVERSAL REQUEST (per item)	63	3.71	
ACH UNAUTHORIZED TRANS-RETURNED (per item)	11	0.65	
ACH CONTROL (per account)	119	7.00	
ACH ORIGINATED ITEMS-PPD DEBIT (per debit)	15,145	890.88	
ACH ORIGINATED ITEMS-PPD CREDIT (per credit)	132,611	7,800.65	
ACH ORIGINATED ITEMS-CCD CREDIT (per credit)	10,853	638.41	
NOTIFICATIONS OF CHANGE (per occurrence)	78	4.59	
CONTROL TOTAL ENTRY (per occurrence)	46	2.71	
A/M/D PAYMENT AUTHORIZATION (per occurrence)	14	0.82	
PAPER DISBURSEMENTS			
PAID ITEM REJECTS (per item)	2,008	118.12	
CUSTOMER CASH LETTER			
DEPOSITS (per deposit)	10,976	645.65	
PRE-ENCODED REJECTS THRU 1.5% (per item)	3	0.18	
ENCODED DEPOSITED ITEMS (per item)	572	33.65	
UNENC DEP RECON SVCTR DEP ITEMS (per item)	580,885	34,169.71	
CASH SERVICES			
MC-DISPOSABLE BAGS PROCESSED (per bag)	261	15.35	
PAID CHECK IMAGE			
PAID CHECK IMAGE MAINTENANCE (per account)	272	16.00	
PAID CHECK IMAGE: CD ROM (per item)	193,079	11,357.59	
PAID CHECK IMAGE: CD ROM (per CD)	51	3.00	
PAID CHECK IMAGE VIEWED WC (per item)	52	3.06	
WC PLUS IMAGE (per item)	3,109	182.88	

Fee Proposal Form - Page 2 continued

Sub total	_____
Discount %	_____
Grand Total	_____

MERCHANT SERVICES CHARGES
Fee Proposal Form - Page 3

FEES

24 MONTH TOTALS			Interchange Rate	Interchange Per	Assessment Rate	Assesment Per	Processing Fee	Processing Fee	AVERAGE
Sales Amount	Item Count		Per (\$)	Item	Per (\$)	Item	Per (\$)	Per Item	MONTHLY FEES
Visa Interchange									
COMM STND	\$ 1,015.44	15							-
COM RET B	\$ 24,054.95	12							-
COM RET P	\$ 537.34	4							-
RTL2 CP	\$ 867,783.78	4,649							-
RTL2 CP D	\$ 1,845,210.90	17,488							-
COMMRETAIL	\$ 120,940.49	238							-
COMM CNP B	\$ 230,542.31	2,327							-
COMM CNP C	\$ 20,630.89	318							-
COMM CNP P	\$ 22,224.42	131							-
US COMM L2	\$ 81,581.18	259							-
CPS RETAIL 2	\$ 3,126,257.85	36,421							-
EIRF	\$ 244,799.57	689							-
COMMERCIAL ELEC	\$ 756,129.51	5,940							-
COMMERCIAL STND	\$ 47,310.54	89							-
US CR CONS	\$ (56,104.76)	(368)							-
US CR COMM	\$ (7,614.25)	(37)							-
CPS/RTL2 DB	\$ 2,439,874.08	88,930							-
EIRF-US DB	\$ 67,674.78	860							-
US CV-CNSR DB	\$ (37,608.00)	(369)							-
CPS/RTL CHCK	\$ 151,666.42	6,893							-
	\$ 9,946,907.44	164,489							\$ -
Mastercard Interchange									
CDATA II B	\$ 8,511.21	29							-
CDATA II F	\$ 7,615.58	9							-
CDATA II P	\$ 1,539.91	1							-
FACE-FACEB	\$ 11,882.40	5							-
FACE-FACEP	\$ 180.00	1							-
MC REF G1D	\$ (6,007.25)	(63)							-
MC REF G3D	\$ (132.50)	(3)							-
MC REFCON3	\$ (44,562.00)	(258)							-
MC REFCRP3	\$ (1,439.00)	(7)							-
STANDARD	\$ 3,110.25	26							-
FACE TO FACE	\$ 260,948.31	251							-
DATA RATE II	\$ 1,117,560.72	1,049							-
DATA RATE I	\$ 25,597.30	2,062							-
INTL CORPORATE	\$ 232.40	23							-
INTL PURCHASING	\$ 3.00	1							-
INTL ELECTRONIC	\$ 4,112.96	66							-
INTL STANDARD	\$ 5,447.67	352							-
CORP STANDARD	\$ 150.50	2							-
PUB SECTOR	\$ 1,759,858.05	19,293							-
MERIT 3 DB	\$ 19,345.72	865							-
MERIT 1 DB	\$ 9,685.14	4,039							-
STANDARD DB	\$ 369.00	4							-
EHNPUBSCNP	\$ 170,601.07	1,916							-
EMRG MKT DB	\$ 638,368.78	8,975							-
ENHPUBSECP	\$ 45,149.94	138							-
MCW STND	\$ 66,938.77	2							-
MCW PUBSEC	\$ 364,269.94	3,172							-
PUBLIC CP	\$ 465,240.01	2,228							-
MCW PUB CP	\$ 120,077.10	300							-
	\$ 5,054,654.98	44,478							\$ -

Discount %

GRAND TOTAL \$ -